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FM AMEMBASSY SEOUL
TO RUEHC/SECSTATE WASHDC IMMEDIATE 9323
INFO RUEHBJ/AMEMBASSY BEIJING 4092
RUEHKO/AMEMBASSY TOKYO 4243
RUEHMO/AMEMBASSY MOSCOW 8663
RUEHGB/AMEMBASSY BAGHDAD 0115
RUEHIN/AIT TAIPEI 2594
RHHMUNA/CDR USPACOM HONOLULU HI
RHMFISS/COMUSKOREA CC SEOUL KOR
RUACAAA/COMUSKOREA INTEL SEOUL KOR
RUEKJCS/OSD WASHDC

C O N F I D E N T I A L SEOUL 000738

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E.O. 12958: DECL: 04/11/2018
TAGS: [PGOV](#) [KS](#) [PREL](#) [IZ](#) [IR](#) [TU](#) [EUN](#)
SUBJECT: ROK HAS FORGIVEN 80 PERCENT OF IRAQ DEBT, LOOKING
TO INVEST IN OIL

REF: STATE 35471

Classified By: A/DCM Joseph Yun. Reasons 1.4(b/d)

¶1. (C) In an April 11 meeting with Gulf Region Division First Secretary Moon Byung-jun, poloff, per reftel, (1) requested

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that MOFAT attend the May 29 Ministerial in Stockholm, (2) recommended that the ROKG use its meetings with Iraq,s neighbors to encourage them to increase engagement with Iraq by establishing diplomatic missions in Iraq, and (3) encouraged the ROKG to follow through on debt reduction pledges. Moon said that the ROK had already followed through on 80 percent of its Iraq debt forgiveness, and provided a nonpaper with further details on the its debt forgiveness to date (Post will send via email to Iraq and Korea desks). For the other two requests, Moon said he would follow up with the appropriate bureaus within MOFAT.

¶2. (C) In terms of the ROK's views on Iraq, Moon stated that he thought the current situation in Iraq would likely continue until at least October, when Iraq's provincial elections would be held. The continued deployment of 140,000 U.S. forces in Iraq, therefore, was a "good strategy." In terms of the ROK's continued deployment of the Zaytun unit to Erbil, Moon said that a political decision would have to be made at the highest levels of the ROKG.

¶3. (C) Moon said that the ROK was concerned about its commercial firms expanding operations in Iraq, given that the current security environment outside of Kurdish controlled areas was still shaky. Moon mentioned, however, that the ROK was interested in further investment in Iraq's oil industry, and that the Iraqi oil law would be key to spurring additional investment by South Korean companies. President Lee Myung-bak has emphasized the development of energy security as part of his foreign policy, Moon noted.
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